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No. 08-

IN THE
Supreme Court of the United States

HONEYWELL INTERNATIONAL INC.
AND HONEYWELL INTELLECTUAL PROPERTIES INC.,

Petitioners,

v.

HAMILTON SUNDSTRAND CORP.,

Respondent.

On Petition For Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

PETITION FOR CERTIORARI

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QUESTION PRESENTED

The doctrine of equivalents is intended to prevent a copyist from avoiding infringement by making insubstantial changes to a product to avoid a patent. This Court unanimously reaffirmed the doctrine in *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997), and *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722 (2002), in each case reversing a divided *en banc* decision of the U.S. Court of Appeals for the Federal Circuit that had placed improper limits on the doctrine.

In another divided *en banc* decision, the Federal Circuit held in this case that changing the mere *form* of a claim, such as by transforming it from a dependent claim into an independent claim, is a narrowing amendment that gives rise to prosecution history estoppel. This decision effectively denied Honeywell access to the doctrine of equivalents, as the subsequent panel decision below demonstrated.

This is new law. It contradicts this Court's long-standing precedents, and it works a dramatic and unwelcome change in the United States patent system.

The question presented, therefore, is:

Whether change only to the form of an original patent claim that is for a reason unrelated to patentability and that does not change the claim's scope nonetheless gives rise to prosecution history estoppel.

RULE 29.6 STATEMENT

The Petitioners are Honeywell International Inc. and Honeywell Intellectual Properties Inc. Honeywell International Inc. is publicly held and has no parent. State Street Bank holds over 10 percent of the stock, some as trustee under the company's savings plans. Honeywell Intellectual Properties Inc. was merged into Honeywell International Inc. as of December 2007. At the time this lawsuit was filed, Honeywell International Inc. was known as AlliedSignal Inc. and Honeywell Intellectual Properties Inc. was known as AlliedSignal Technologies Inc.

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Honeywell International Inc. and Honeywell Intellectual Properties Inc. (collectively "Honeywell") hereby petition for a writ of *certiorari* to review the judgments of the United States Court of Appeals for the Federal Circuit entered in this case.

INTRODUCTION

This is the second time this case appears before the Court. In August 2004, Honeywell sought *certiorari* when the case stood in interlocutory posture, with a divided *en banc* Federal Circuit having reversed a jury verdict in Honeywell's favor and remanded the case to the district court for further proceedings. In response to Honeywell's earlier petition, the Court asked for the views of the Solicitor General, *see Honeywell Int'l Inc. v. Hamilton Sundstrand Corp.*, 543 U.S. 954 (2004), but ultimately denied the petition. *Honeywell Int'l Inc. v. Hamilton Sundstrand Corp.*, 545 U.S. 1127 (2005).

In opposing the grant of *certiorari* in the 2004 Term, both the Solicitor General and Respondent Hamilton Sundstrand Corp. argued that the then-pending remand proceeding would provide an opportunity to ameliorate the harms argued by Honeywell. The ordered remand now having taken place, and this case having produced yet another divided Federal Circuit decision, the opposite is true: the further proceedings below only confirmed Honeywell's warnings about the pernicious effects of the original *en banc* decision. This case now stands in the posture of a final judgment, and this petition provides a clean opportunity for this Court to correct an important mistake by the Federal Circuit regarding the application of the doctrine of equivalents and prosecution history estoppel.

In its 2004 *en banc* decision, the Federal Circuit majority held that Honeywell had narrowed its patent

claim during prosecution when, at the Patent Examiner's direction, it rewrote a dependent claim into independent form, even though that action, by definition, did not make any change to the claim's scope. Appendix ("App.") 10a-11a, 33a-37a. The appellate court held that prosecution history estoppel applied and remanded for a determination of whether Honeywell could rebut the presumption of surrender of equivalents under *Festo*. App. 31a. That ruling was contrary to this Court's longstanding precedents, which dictate that a narrowing amendment giving rise to estoppel occurs only where new limitations are added to the claim during prosecution. It was also contrary to 35 U.S.C. § 112, ¶ 4, which dictates that a dependent claim incorporates all of the limitations of the independent claim on which it depends. Thus, by statute, Honeywell's change in claim form from dependent to independent had no effect on the scope of the claim and therefore could not have constituted a "narrowing amendment" raising an estoppel issue. What is more, had Honeywell merely presented all of its claims in independent form in the first place, no question of estoppel would have arisen.

By thus exalting form over substance, the *en banc* decision not only upset settled expectations of patent holders but also judicially eviscerated 35 U.S.C. § 112, ¶ 4 by burdening dependent claiming with the presumptive loss of the ability to rely on the doctrine of equivalents. The Patent Act provides for and encourages dependent claiming, and this Court has recognized the practice's salutary effects. The result below, by arbitrarily penalizing that practice, constitutes judicial legislation incompatible with long-accepted patent policy.

The remand proceedings have confirmed these ill effects. Specifically, a divided panel of the Federal Circuit held on remand that Honeywell's transformation of its dependent claim into independent form was necessarily directly related to the Hamilton Sundstrand equivalent, even though it is undisputed that the equivalent was not in any of the prior art before Honeywell or the Patent Office. App. 201a. This analysis rendered the *Festo* presumption irrebuttable under the "tangential relation" prong. Accordingly, under the combined effect of the two Federal Circuit decisions below, Honeywell is held to have surrendered equivalents when it merely changed the form of the claim from dependent to independent, which did not, as a matter of settled law, in any way alter its scope. This result is contrary to the longstanding precedent of this Court, and it should not be allowed to stand.

OPINIONS BELOW

The Federal Circuit's *en banc* decision reversing the jury's verdict of infringement in favor of petitioners and remanding for further consideration is reported at 370 F.3d 1131 (Fed. Cir. 2004) (*en banc*) and reprinted at App. 1a-49a. The district court's opinion denying post-trial motions and upholding the jury's infringement verdict in favor of Honeywell is reported at 166 F.Supp.2d 1008 (D. Del. 2001) and is reprinted at App. 50a-121a. The district court's opinion denying respondent's motion for summary judgment with regard to infringement and validity is reported at 2001 WL 66348 (D. Del. Jan. 8, 2001) and is reprinted at App. 122a-138a.

There are several opinions subsequent to the *en banc* Federal Circuit's remand of the case to the district

court for further findings. The district court's opinion on remand from the Federal Circuit's 2004 judgment is reported at 2006 WL 2346446 (D. Del. August 14, 2006) and is reprinted at App. 182a-203a. The decision of the divided panel of the Federal Circuit affirming the district court's judgment on remand that prosecution history estoppel applies in favor of respondents is reported at 523 F.3d 1304 (Fed. Cir. 2008) and is reprinted at App. 143a-181a. The Federal Circuit's order denying rehearing or rehearing *en banc* is unreported and is reprinted at App. 204a-205a.

JURISDICTION

The judgment of the United States Court of Appeals for the Federal Circuit affirming the district court's decision on remand was entered on April 18, 2008. Upon Honeywell's timely petition, the Federal Circuit denied rehearing and rehearing *en banc* on May 29, 2008. The jurisdiction of this Court is invoked pursuant to 28 U.S.C. § 1254(1). The Federal Circuit had jurisdiction over the appeal pursuant to 28 U.S.C. § 1295(a). The District Court had jurisdiction over the original proceeding pursuant to 28 U.S.C. § 1338(a).

PERTINENT CONSTITUTIONAL AND STATUTORY PROVISIONS

Article 1, section 8, clause 8 of the Constitution provides: "Congress shall have the power ... to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their Respective Writings and Discoveries."

35 U.S.C. § 271(a) provides: "Except as otherwise provided in this title, whoever without authority makes, uses, offers to sell, or sells any patented

invention, within the United States or imports into the United States any patented invention during the term of the patent therefore, infringes the patent."

35 U.S.C. § 112, ¶ 4 provides: "Subject to the following paragraph, a claim in dependent form shall contain a reference to a claim previously set forth and then specify a further limitation of the subject matter claimed. A claim in dependent form shall be construed to incorporate by reference all the limitations of the claim to which it refers."

STATEMENT OF THE CASE

This case raises a question of broad and general importance: should prosecution history estoppel apply to a claim that was never rejected or narrowed during prosecution. The answer to that question will determine the effective scope of countless issued U.S. patents and pending applications.

This Court set out the "modern contours" of the doctrine of equivalents in *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 339 U.S. 605 (1950), providing that a product or process that does not literally infringe under the express terms of a patent claim may nonetheless be found to infringe "if it performs substantially the same function in substantially the same way to obtain the same result," *id.* at 608. In doing so, this Court confirmed what at the time was century-old precedent tracing its roots back to *Winans v. Denmead*, 56 U.S. 330, 343 (1853). The Court instructed that the purpose of the doctrine was to prevent an infringer from practicing a "fraud on a patent" by "stealing the benefit of the invention" through unscrupulous copying. *Graver Tank*, 339 U.S. at 608.

The related doctrine of prosecution history estoppel, which is also firmly grounded in precedent dating back to the nineteenth century, circumscribes the scope of equivalent subject matter that can be captured by a patentee through the doctrine of equivalents. The purpose of the estoppel is to prevent an inventor from recapturing claim scope during litigation that had been expressly surrendered by a claim amendment (or argument) during prosecution to obtain issuance of the patent. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.*, 535 U.S. 722, 734 (2002); *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997); *I.T.S. Rubber Co. v. Essex Rubber Co.*, 272 U.S. 429, 444 (1926); *Shepard v. Carrigan*, 116 U.S. 593 (1886).

Indeed, in both *Warner-Jenkinson* and *Festo*, this Court unanimously reversed decisions by a divided *en banc* Federal Circuit that would have otherwise improperly restricted access to the doctrine of equivalents. In both cases, this Court held that prosecution history estoppel may be invoked only where a claim has been amended and narrowed in scope for purposes related to patentability. The Court explained that such acts give rise to a presumption of prosecution history estoppel, but that the presumption can be rebutted "where the equivalent was unforeseeable at the time of the application or the rationale underlying the amendment bears but a tangential relation to the equivalent." *Festo*, 535 U.S. at 725. *Warner-Jenkinson* and *Festo* reflected a practical judgment—grounded in more than 150 years of this Court's precedents—that prosecution history estoppel does not restrict access to the doctrine of equivalents in the absence of a narrowing amendment

that surrenders subject matter claimed by the invention. *Warner-Jenkinson*, 520 U.S. at 31-32.

For its part, 35 U.S.C. § 112, ¶ 4, provides that a claim may be written in independent or dependent form. Under the statute, a claim written in dependent form incorporates all of the limitations of the independent claim on which it depends. *See id.* Thus, under Section 112, there is no difference between the scope of a dependent claim and the scope of that claim if written in independent form, as each incorporates the identical limitations

The decision below upset the balance between the doctrine of equivalents and prosecution history estoppel and, in the process, judicially eviscerated Section 112, ¶ 4. In holding that the transformation of a dependent claim into independent form without any change in the original claim language is a narrowing amendment that gives rise to a presumptive surrender of equivalents, the divided *en banc* Federal Circuit ignored both the statutory language and this Court's precedents. As Judge Newman, dissenting from the *en banc* decision, succinctly summarized it, the decision below "change[d] the law in two new ways. The first way is directly contrary to statute [35 U.S.C. § 112, ¶ 4]. The second is simply another restriction on equivalency, far exceeding the holdings of the Supreme Court in *Festo* and *Warner-Jenkinson*." App. 32a (Newman, J., dissenting).

Just as in *Festo* and *Warner-Jenkinson*, the Court should grant *certiorari* to protect the doctrine of equivalents from the divided *en banc* decision of the Federal Circuit that has improperly limited its scope. The issue is ripe for review by this Court, and this case provides an excellent vehicle to do so.

A. The Honeywell Technology

Petitioner Honeywell owns the U.S. Patents at issue here, Nos. 4,428,194 and 4,380,893, which relate to air control units or auxiliary power units (APUs) that are typically located in the tail section of commercial aircraft. App. 3a-4a. These units are used to supply compressed air and electrical power to the aircraft before the main engines are started, such as when the aircraft is parked at the gate. *Id.* Honeywell has been the leading pioneer in APU technology since it manufactured the very first APU over fifty years ago.

Honeywell's '194 and '893 patents claim several novel methods and apparatuses for efficiently controlling airflow in an APU. To achieve efficient and safe operation, the Honeywell patents monitor a flow-related parameter that measures the air flow out of the compressor. App. 4a-5a. The patented systems also monitor the position of the "inlet guide vanes" (IGVs), which are regulators that open and close like Venetian blinds over the air inlet of the load compressor in order to control the amount of air that is drawn through the compressor. *Id.*

Honeywell asserted six patent claims at trial: independent claim 4 of the '194 patent, and independent claims 8 and 19 and dependent claims 10, 11 and 23 of the '893 patent. App. 13a-14a. The jury found that Hamilton Sundstrand had infringed each of the asserted claims under the doctrine of equivalents. *Id.*

Independent claim 4 of the '194 patent was original application claim 51, a dependent claim. App. 10a-11a. In his initial substantive action on claim 51, the Examiner objected to the claim solely on the basis that he simultaneously rejected the independent claim from

which claim 51 depended; the Examiner indicated that claim 51 would be "allowed if rewritten in independent form." App. 11a. Accordingly, Honeywell rewrote claim 51 in independent form, thereby incorporating expressly the limitations from the original independent claim that had previously been incorporated by reference pursuant to Section 112, ¶ 4. Honeywell made no other change to the claim, and it issued as claim 4 of the '194 patent. App. 10a-11a.

Independent claims 8 and 19 of the '893 patent were originally dependent claims 17 and 35 and were similarly objected to by the Examiner because the claims on which they depended were rejected. *Id.* Accordingly, as it did with original claim 51, Honeywell rewrote original claims 17 and 35 into independent form, and they eventually issued as claims 8 and 19 of the '893 patent. *Id.*

The limitation of claims 4, 8 and 19 that was the focus of the doctrine of equivalents dispute at trial was the control system's use of IGVs. Importantly, the IGV limitation was never narrowed or amended for any reason at all: it appeared identically in original claims 51, 17 and 35 and issued claims 4, 8 and 19. App. 5a-7a, 10a-11a. Further, other than the change in form of rewriting the originally dependent claims as independent claims, Honeywell made no change to the asserted independent claims during prosecution. And because the form (independent or dependent) of a claim under Section 112, ¶ 4 does not affect its scope, the scope of the asserted claims was never expanded or narrowed during prosecution.

The patented inventions were incorporated into many of Honeywell's APU models in the early 1980s and were a huge commercial success. These APUs

continue to be used on Boeing 737 and 757 aircraft as well as the Airbus A320, 330 and 340 models.

B. The Original District Court Proceedings

Honeywell filed its complaint alleging infringement of the '194 and '893 patents in the U.S. District Court for the District of Delaware in May 1999. App. 10a. The parties filed numerous summary judgment motions in late 2000. As relevant here, Sundstrand filed a motion seeking to apply prosecution history estoppel to Honeywell's claim for infringement under the doctrine of equivalents on the ground that claims 8 and 19 of the '893 patent and claim 4 of the '194 patent had been narrowed by amendment during prosecution. App. 129a-138a. On January 8, 2001, the district court (Sleet, J.) rejected Sundstrand's argument for prosecution history estoppel, holding that "Honeywell did not give up an embodiment of the invention with the inlet guide vane," and that "the elements at issue were not surrendered" during prosecution. App. 137a.

Trial commenced on February 5, 2001 in front of an eight-person jury and concluded on February 16, 2001. App. 51a. In its verdict, the jury found that Sundstrand willfully infringed all six asserted claims of the '194 and '893 patents under the doctrine of equivalents. App. 51a-52a. The jury awarded $45 million in lost profit damages, plus reasonable royalty damages of $1,578,065, for a total damages award to Honeywell of $46,578,065. *Id.*

C. The En Banc Federal Circuit Proceedings

Both parties appealed to the Federal Circuit, and oral argument was held before a three-judge panel on August 7, 2002. App. 139a. Before any panel opinion

issued, on February 5, 2004, the Court of Appeals *sua sponte* ordered *en banc* review of the appeal. *Id.*

On June 2, 2004, the *en banc* Federal Circuit reversed the judgment in Honeywell's favor, over a vigorous dissent filed by Judge Newman. The majority held that Honeywell's rewriting of claims 8 and 19 of the '893 patent (original claims 17 and 35) and claim 4 of the '194 patent (original claim 51) from dependent to independent form during prosecution, combined with the cancellation of the antecedent independent claims, constituted a narrowing amendment that resulted in the presumptive surrender of all equivalents to the IGV limitation. App. 1a-31a. Accordingly, the court remanded the case to the district court to consider whether Honeywell could rebut that presumption under the criteria laid out in *Festo Corp. v. Shoketsu Kinzoku Kogyu Kabushiki Co.* ("*Festo II*"), 344 F.3d 1359, 1368 (Fed. Cir. 2003) (*en banc)* (citing *Festo Corp. v. Shoketsu Kinzoku Kogyu Kabushiki Co.*, 535 U.S. 722, 741 (2002)). App. 30a-31a.

Judge Newman, in dissent, explained that the *en banc* majority opinion both was "directly contrary to statute" and "far exceed[ed] the holdings of the Supreme Court in *Festo* and *Warner-Jenkinson*." App. 32a.

First, Judge Newman challenged the majority's holding that the rewriting of a dependent claim into independent form constitutes a narrowing amendment. As she explained, this ruling is contrary to statute, since "35 U.S.C. § 112 ¶ 4 assured that claim scope is unrelated to whether the claim is in independent or dependent form." App. 34a. In addition, Judge Newman pointed out that "[t]his new rule will simply drive patent applicants away from dependent claims

and away from the accepted protocol of presenting successively narrowed dependent claims for examination. This new rule will simply raise the cost and increase the difficulty of patent examination." App. 30a-31a.

Judge Newman also focused on the devastating effects of the majority's holding on patent owners and inventors. "By adding presumptive estoppels to elements and limitations that were never a basis of rejection and never narrowed during examination, the court further erodes the ability of inventors to protect their inventions." App. 32a-33a. "The majority opinion changes the basic premise of presentation of claims of varying scope and divergent content, in holding that by dropping a broader claim, the claims subordinate to that claim became subject to presumptive estoppel, whether or not the subject matter at issue was included in the broader claim. That is far removed from the Court's holding in *Festo*." App. 39a.

Judge Newman further explained that the new rule announced by the *en banc* majority produced, in stark contrast to the *Festo* principle, "unbounded estoppel." App. 48a. That is, the *en banc* majority's decision created "estoppel against the entire universe of technology ... when an element was not originally claimed at all." App. 34a. Here, the IGV limitation was not in the cancelled, independent claim.

Finally, Judge Newman echoed this Court's concern in *Festo* that the decision would disrupt the "settled" and "legitimate expectations of inventors in their property." *See Festo*, 535 U.S. at 739. Judge Newman explained that the real "losers are those patentees who had no reason to foresee today's new rule, and future patentees who will have to cope with it." App. 49a.

Honeywell sought *certiorari* from the Federal Circuit's interlocutory decision. *See* Petition for Certiorari, *Honeywell Int'l Inc. v. Hamilton Sundstrand Corp.*, No. 04-293 (August 31, 2004). The Court called for the views of the Solicitor General (*see Honeywell Int'l Inc. v. Hamilton Sundstrand Corp.*, 543 U.S. 954 (2004)), who opposed the grant of *cert.* on the petition as it then stood and stated that Honeywell was entitled to a "meaningful opportunity [on remand] to rebut the presumption against its invocation of the doctrine of equivalents." Br. for the U.S. as Amicus Curiae, *Honeywell Int'l Inc. v. Hamilton Sundstrand Corp.*, No. 04-293, at 20 (May 19, 2005). The Court thereafter denied the petition without comment. *Honeywell Int'l Inc. v. Hamilton Sundstrand Corp.*, 545 U.S. 1127 (2005).

D. The Remand Proceedings

The remand proceedings in this case confirmed the pernicious effects of the *en banc* decision. Specifically, a divided panel of the Federal Circuit held on remand that in the case of a transformation of a dependent claim into independent form, the amendment was necessarily more than tangentially related to the equivalent. App. 164a-166a Judge Newman again dissented, and observed that the decision "renders the presumption of estoppel irrebuttable, whatever the reason for the amendment." App. 179a.[1]

The panel decision on remand thus confirms the far-ranging effects of the *en banc* decision below. Any time

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[1] Under this Court's *Festo* decision, the presumption of surrender of equivalents may also be rebutted if the equivalent was unforeseeable or if there is "some other reason" suggesting the appropriateness of rebuttal. *Festo*, 535 U.S. at 740-41. Neither was determined to be applicable here.

that an applicant rewrites a dependent claim in independent form during prosecution, the applicant is estopped from later claiming equivalents to that claim. This is not, and should not be, the law, and it merits the Court's review.

REASONS FOR GRANTING THE WRIT

The Federal Circuit's decision overturning the jury's finding of infringement on the basis of prosecution history estoppel should be reversed. The decision below judicially eviscerates 35 U.S.C. § 112, ¶ 4 of the Patent Act and conflicts with longstanding precedent of this Court. This Court's caselaw establishes that amendment-based prosecution history estoppel applies only where a patent claim is narrowed by amendment through the introduction of an additional or limiting term. Here, by contrast, Honeywell's patent claim was never rejected and was merely transformed from dependent to independent form. By statutory definition, this formal amendment did not affect the scope of the claim. Thus, the Federal Circuit's divided *en banc* decision applying prosecution history estoppel in these circumstances is contrary to statute and to this Court's dictates.

The Federal Circuit's new law jeopardizes both longstanding patent practice and an overwhelming number of existing patents in substantial ways. First, the decision greatly disincentivizes the use of dependent claims in patent prosecution. Dependent claiming simplifies the patent prosecution process and the evaluation of issued patents by the public by clarifying the relationship among a patent's various claims. Dependent claiming is therefore encouraged as a matter of public policy by lower application fees. Under the decision below, however, the equal status

between dependent and independent claims provided by Section 112, ¶ 4 has been nullified. Applicants will now be penalized for using dependent claims, because the rejection of any broader independent claim will mean the forfeiture of equivalents as to all narrower dependent claims, which would not occur if all the claims were originally presented in independent form. Because the scope of a claim in dependent form is, by statute, identical to the scope of the same claim if written in independent form, treating the two claims differently for estoppel purposes is bad law and bad policy.

Furthermore, by changing settled statutory law, not only does the Federal Circuit usurp the power granted exclusively to Congress, but the decision below also disrupts the settled expectations of patent owners, who prosecuted and obtained patents in an era where dependent claims were encouraged, not burdened by a surprising and counter-intuitive, form-over-substance penalty.

Finally, this case presents an excellent vehicle for resolving these important issues. The case stands at final judgment. The factual history is straightforward and undisputed: the independent claims that the jury found infringed issued from what were originally filed dependent claims that were merely rewritten into independent form during prosecution. App. 10a-14a. Still further, the claims were not rejected for reasons related to patentability. Moreover, neither the relevant limitation nor the equivalent was mentioned during prosecution. App. 167a. And it is undisputed that the equivalent was not disclosed in the prior art before the Patent Office. *Id.* This petition therefore presents, in pure form, the question whether this

Court will allow the Federal Circuit to apply prosecution history estoppel to claims that were never narrowed during prosecution, thereby vastly expanding such estoppel and correspondingly contracting the doctrine of equivalents.

I. The Decision Below Is Contrary To Statute, To This Court's Precedent, And To Good Patent Policy

A. The Decision Below Is Contrary To 35 U.S.C. § 112, Paragraph 4

Under this Court's decision in *Festo,* the threshold question in the prosecution history estoppel analysis is whether a patentee has "narrow[ed] a claim as a condition for obtaining a patent." 535 U.S. at 737; *see also id.* at 733 (doctrine applies where "the patentee originally claimed the subject matter alleged to infringe but then narrowed the claim in response to a rejection"). If this inquiry is answered in the negative, and there is no "narrowing amendment," the inquiry ends and prosecution history estoppel does not apply. *Id.* at 737. Because the asserted independent claims here had never been narrowed, but rather only were rewritten from dependent to independent form, there should have been no estoppel.

As Judge Newman pointed out in her dissent from the *en banc* decision, the Federal Circuit's holding that a narrowing amendment occurred in this case is "directly contrary" to 35 U.S.C. § 112, ¶ 4. App. 32a. That statute provides that "[a] claim in dependent form shall be construed to incorporate by reference all limitations of the claim to which it refers." 35 U.S.C. § 112. Accordingly, when Honeywell rewrote formerly dependent claims in independent form, it merely included explicitly in the claims limitations that were

already incorporated by reference under Section 112. This action did not change the scope of the claims in any way and should not be deemed a narrowing amendment. By statute, the newly independent claims claimed exactly the same subject matter as the original dependent claims did, and they had not been narrowed at all. Thus, neither the IGV, nor any other limitation of the disputed claims, was added when the claims were rewritten from dependent form into independent form at the Examiner's request.

The plain meaning of 35 U.S.C. § 112, ¶ 4 has been reaffirmed in numerous court decisions, which have previously held, without controversy, that simply rewriting a dependent claim in independent form is not a substantive modification that changes the scope of the claim. Thus, in *Insta-Foam Products, Inc. v. Universal Foam Systems, Inc.*, 906 F.2d 698, 703 (Fed. Cir. 1990), the Federal Circuit declined to apply prosecution history estoppel to a claim that was rewritten in independent form after the patent examiner rejected the antecedent independent claim. Similarly, in *Bloom Eng'g Co., Inc. v. North Am. Mfg. Co., Inc.*, 129 F.3d 1247, 1250 (Fed. Cir. 1997), the Federal Circuit overturned a district court's holding that the rewriting of a dependent claim to independent form, with no other changes, was a substantive change. And the Federal Circuit reached the same conclusion in *Vermeer Mfg. Co. v. The Charles Machine Works, Inc.*, 251 F.3d 168 (Fed. Cir. 2000) ("[P]rosecution history estoppel does not bar this claim interpretation because issued Claim 1 was never rejected and was only rewritten in independent form and amended to correct an antecedent basis problem.") (citing *Warner-Jenkinson*, 520 U.S. at 32-33); *see also Bose Corp. v. JBL, Inc.*, 274 F.3d 1354 (Fed. Cir. 2001) (rewriting of

dependent claim in independent form as required by patent examiner did not constitute a narrowing amendment under *Festo*).

The decision below essentially eviscerates 35 U.S.C. § 112, ¶ 4 and is contrary to the long understood, and statutorily mandated, precept that identical patent claims share the same scope, regardless of whether they are in dependent or independent form.

B. The Decision Below Is Contrary To This Court's Longstanding Jurisprudence

The decision below is in square conflict with this Court's body of precedent on the doctrine of equivalents and prosecution history estoppel. This Court has applied prosecution history estoppel, also called "file wrapper estoppel" or simply estoppel, to limit the doctrine of equivalents in numerous cases dating to the nineteenth century. But nowhere in this over one- hundred-year-old body of law has this Court held that prosecution history estoppel foreclosed access to the doctrine of equivalents with respect to a claim that was never rejected or amended, and that issued with the same scope as it was filed. To the contrary, this Court has consistently limited estoppel to situations where the applicant added limitations to narrow the claim during prosecution. The Court's precedents are in direct conflict with the decision below.

In *I.T.S. Rubber*, the Court confirmed that prosecution history estoppel focuses on entirely new elements to a patent application where the applicant "is compelled by the Patent Office to narrow his claim by the introduction of a new element." 272 U.S. at 443. The Court explained that the *sine qua non* giving rise to the estoppel are "limitations imposed by the

inventor, especially such as were *introduced into an application after* it had been persistently rejected." *Id.* at 444 (emphasis added). That decision highlights the error in the Federal Circuit's decision below—the *en banc* court applied estoppel to a claim that was present in the original application rather than introduced into the application during prosecution or amended after a rejection by the Patent Office Examiner.

Similarly, in *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126 (1942), the Court distinguished the present situation, where an original claim is in dispute, from the "very different issue," deserving of estoppel, that arises when the patentee responds to a rejection through amendment that adds new elements to a claim. The Court explained that "the patentee would have been entitled to equivalents embracing the accused devices had he *originally claimed*" the element that was later added by amendment. *Id* (emphasis added). Still further, the Court recognized that prosecution history estoppel circumscribes the doctrine of equivalents only in so far as the patentee attempts "to recapture claims which the patentee has surrendered by amendment." *Id.* The Court's holding thus rejects the result of the decision below in which the patentee loses equivalents to an element of a surviving and distinct original claim that was never narrowed during prosecution.

This Court reaffirmed these principles in *Warner-Jenkinson*: "Chief Justice Stone distinguished inclusion of a limiting phrase in an original patent claim from the 'very different' situation in which 'the applicant, in order to meet objections in the Patent Office, based on references to the prior art, adopted the phrase as a substitute for the broader one' previously

used." 520 U.S. at 31 (quoting *Exhibit Supply*). As the Court explained, prosecution history estoppel does not apply where "an amendment required during prosecution had a purpose unrelated to patentability," and the proper focus is on the "new element" that is added by amendment. *Id.* at 33, 40.

In *Festo*, this Court again reaffirmed these bedrock principles, explaining that "our 'prior cases have consistently applied prosecution history estoppel only where claims have been amended'" for a "substantial reason related to patentability." 535 U.S. at 735. Indeed, the *Festo* Court distinguished changes that "concern the form of the application and not the subject matter of the invention," such as an amendment "to rewrite a dependent claim as an independent one." *Id.* at 736. The Court explained that "[i]f a §112 amendment is truly cosmetic, then it would not narrow the patent's scope or raise an estoppel." *Id.* at 736-37.

The *en banc* decision below unambiguously contravenes these rulings: the rewriting of a dependent claim into independent form is the epitome of a cosmetic change that does not alter the claim's scope, and yet the Federal Circuit foreclosed access to the doctrine of equivalents through application of prosecution estoppel in just this situation. And that conflict has not gone unnoticed. Commentators have characterized the *en banc* decision below as in "apparent disregard for the spirit of controlling Supreme Court law and [relying on] various out-of-context quotations from the controlling cases." Werner H. Stemer, *Honeywell Int'l v. Hamilton Sundstrand Corp.: The Federal Circuit Goes To The Extreme In Its Latest Attack On The Doctrine Of Equivalents*, 87 Journal of the Patent & Trademark Office Society 71,

76 (2005); *see also* Catriona M. Collins, *Post-'Festo' Cases Raise More Issues*, 26 National Law Journal 82 (May 9, 2005) (noting that the *en banc* decision below is logically problematic and inconsistent with this Court's *Festo* decision).

Not only do the decisions below apply estoppel in a circumstance contrary to this Court's prior rulings, but the extent of estoppel produced by those decisions far exceeds anything that this Court has previously approved. According to the *en banc* majority, "the surrendered subject matter is defined by the cancellation of independent claims that do not include a particular limitation and the rewriting into independent form of dependent claims that do include that limitation. Equivalents are presumptively not available with respect to that added limitation." App. 171a-172a. But as Judge Newman recognized, this new form of estoppel created by the majority is "an unbounded estoppel, for there is no measure of the yielded territory." App. 48a. Under this Court's precedents, the effect of prosecution history estoppel is ordinarily restricted to the territory between a rejected claim and the amended version of that same claim. Here, however, the Federal Circuit defined estoppel by comparing the rejected independent claim that did not contain the IGV limitation to a different dependent claim that did. App. 10a-14a, 33a. This gave rise to an estoppel "against the entire universe of technology." App. 34a (Newman, J., dissenting).

This unbounded estoppel illustrates the error in the *en banc* decision below. In both *Warner-Jenkinson* and *Festo,* the limitations that gave rise to prosecution history estoppel did not appear in the original patent applications; they were added during prosecution to

overcome prior art. *See Warner-Jenkinson*, 520 U.S. at 22; *Festo*, 535 U.S. at 728. Here, the limitation to which the Federal Circuit applied the estoppel was not added, amended, or objected to during prosecution, but rather appeared in the original application exactly as it later issued. App. 35a-36a.

Significantly, the Federal Circuit has applied the rule that it promulgated in its *en banc* decision below in a number of subsequent cases. *See, e.g., O2 Micro Intern. Ltd. v. Beyond Innovation Technology Co., Ltd.*, 521 F.3d 1351, 1364 (Fed.Cir. 2008); *Cross Medical Products, Inc. v. Medtronic Sofamor Danek, Inc.*, 480 F.3d 1335, 1341 (Fed.Cir. 2007); *Biagro Western Sales, Inc. v. Grow More, Inc.*, 423 F.3d 1296, 1305 (Fed.Cir. 2005). Thus, the erroneous ruling below stands today as the clear law of that court, and it will remain so absent corrective action by this Court.

C. The Decision Below Will Complicate Patent Prosecution And Disrupt Settled Expectations.

The decision below, if allowed to stand, will have a number of undesirable consequences for patent prosecution. In the first place, as Judge Newman predicted in her dissent from the *en banc* ruling, "this new rule will simply drive patent applicants away from dependent claims and away from the accepted protocol of presenting successively narrowed dependent claims for examination." App. 32a (Newman, J., dissenting). Fearing that a broader, independent claim might be rejected, and that they would be required to rewrite a formerly dependent claim in independent form and face the same irrebuttable, unbounded estoppel as Honeywell, cautious patent applicants will be forced to

rely on multiple independent claims with minor differences.

As Judge Newman observed, "[t]his new rule will simply raise the cost and increase the difficulty of patent examination." App. 32a. A claim in dependent form readily isolates the differences between it and the broader claim on which it depends, making the scope of and relationship among the claims much more apparent to both the examiner and the public. By contrast, successive independent claims are much harder to evaluate. By greatly discouraging the use of dependent claims, the decision below will make the patent application process longer, more difficult, and more expensive.

In fact, a study cited by both houses of Congress in their reports on 35 U.S.C. § 112 found that even in the case of simple patents, "the time saved in analyzing the difference between claims is approximately 2 to 1 in favor of the dependent form of claim." S. REP. NO. 89-301, at 2321 (1965); *see also* H.R. REP. NO. 89-113, at 16 (1965). Issued patents will also be wordier, more complicated, and more difficult to understand. According to Congressional debate, dependent claims help make interpretation and understanding of patent applications easier for judges and members of the bar, as well as for patent examiners. 111 CONG. REC. H5,267 (daily ed. Mar. 17, 1965) (statement of Rep. Poff). All of these are reasons why "[t]he use of dependent claims is encouraged by the patent examining authority as an aid to examination. Their value during examination," Judge Newman pointed out, "is reflected in the significantly lower fees charged for examination of dependent claims." App. 37a. *See* 37 C.F.R. § 1.16.

As noted above, dependent claims also serve to highlight for the public, including competitors trying to avoid infringement, the sometimes subtle distinctions between multiple claims in a patent. Faced with patents utilizing only independent claims instead, the public will be forced to wade through lengthy, multiple claims to discern the small differences, thus undermining the primary notice function of the patent laws and significantly hindering the public's efforts to comply with owners' patents rights.

Patent practitioners have recognized that the decision below discourages the practice of dependent claiming. When discussing the potential impact of the *en banc* decision below on patent practice, one practitioner concluded that the "court holding appears to be contrary to [35 U.S.C.] section 112, paragraph 4." Robert C. Faber, *Claim Forms And Formats In General*, 2 Landis on Mechanics of Patent Claim Drafting 9 (2006). Another commentator characterized the *en banc* decision as contrary to the "well-established law and practice" of rewriting a dependent claim into independent form. Eugene R. Quinn, *A Slow Death? Killing the Doctrine of Equivalents*, 164 Pat. World 50, 50 (2004).

Moreover, the decision below disrupts the settled expectations of patent holders. This Court instructed in *Warner-Jenkinson*, and again in *Festo*, that "courts must be cautious before adopting changes that disrupt the settled expectations of the inventing community." *Festo*, 535 U.S. at 739 (*citing Warner-Jenkinson*, 520 U.S. at 28). The Court warned that "[f]undamental alterations in [the doctrine of equivalents and prosecution history estoppel] risk destroying the legitimate expectations of inventors in their property.

... 'To change so substantially the rules of the game now could well subvert the various balances the PTO sought to strike when issuing the numerous patents which have not yet expired and which would be affected by our decision.'" *Festo*, 535 U.S. at 739 (citation omitted). Just as it did when initially deciding *Festo*, the Federal Circuit has ignored the Court's solicitude for settled expectations in deciding this case. This Court's admonition in *Festo* applies with equal force here:

> As *Warner-Jenkinson* recognized, patent prosecution occurs in light of our case law. Inventors who amended their claims under the previous regime had no reason to believe that they were conceding all equivalents. If they had known, they might have appealed the rejection instead. There is no justification for applying a new and more robust estoppel to those who relied on prior doctrine.

535 U.S. at 739. Patent owners who agreed to rewrite dependent claims in independent form prior to the decisions below likewise had no reason to believe that they were conceding all equivalents to all limitations not also contained in another claim. If they had, they would surely have appealed the rejection during the prosecution process. The Federal Circuit has put forward no rationale or justification for suddenly imposing this "new and more robust estoppel" on the large number of patent owners who prosecuted their patents under the prior regime.

Furthermore, allowing Honeywell the benefit of the doctrine of equivalents to establish Sundstrand's infringement of its patent claims, including the IGV

limitation, is consistent with the original purpose behind the doctrine. The doctrine of equivalents is primarily concerned with copyists "who make unimportant and insubstantial changes and substitutions in the patent which, though adding nothing, [absent the doctrine of equivalents] would be enough to take the copied matter outside the claim, and hence outside the reach of the law." *Graver Tank,* 339 U.S. at 607. This Court reiterated the value of the doctrine of equivalents to protect legitimate inventors against copyists over fifty years later in *Festo*: "[Without the doctrine of equivalents,] unimportant and insubstantial substitutes for certain elements could defeat the patent, and its value to inventors could be destroyed by simple acts of copying." *Festo,* 535 U.S. at 731. Both the jury and the district court found that Hamilton Sundstrand had engaged in just such copying after a ten-day trial in this matter. The jury found willful infringement of all six asserted claims, and the district court noted the evidence that Sundstrand engineers had knowledge of Honeywell's patented surge control system during development of the infringing APUs. App. 112a. Despite this evidence of copying of two valid patents, the Federal Circuit has held that the doctrine of equivalents is not available to Honeywell for a claim limitation that was never amended, added or rejected, but instead issued exactly as written in the original patent application. This irrational and unjust result should be overturned, and the doctrine of equivalents should be returned to the strength mandated by the decisions of this Court.

CONCLUSION

For the foregoing reasons, the petition for a Writ of Certiorari should be granted.

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